

Permit Chronology
S/037/066 Blue Cap Mine
last update December 16, 1994

*BLM RECEIVED NOTICE
SEPT. 25, 1990*

Date Received Unknown. Received a packet of information from the BLM Grand Resource Area. A BLM letter to the operator included several stipulations: the minimization of waste rock falls into the Lion Canyon drainage, no use of the existing mine waste dump for dumping of waste rock, requirements for site maintenance during periods of non-operation exceeding one year, removal of trash, waste and scrap. The BLM Notice form indicates the operator intended to use existing roads, stockpile ore on existing surface disturbances, and dump mine waste in an undisturbed area. The BLM acknowledged receipt of this Notice as complete. In addition, a Division MR-SMO form was completed by the operator. The operator is the Lady Ann Company represented by Douglas W. Cleghorn.

January 14, 1992. Request for an annual report for the year 1991.

February 19, 1992. Received annual report from Mr. Cleghorn. The report indicated the mine was not active during the year and affected no new acreage. No reclamation was performed during the year and the disturbance was estimated to be less than five acres.

December 29, 1992. Request for 1992 annual report.

January 29, 1993. Received annual report. The report indicated the Lady Ann Company had been purchased by Keith Cannon during 1992. Mr. Cannon completed and signed the report. He indicated the only work performed was assessment work. The mine was inactive.

February 1, 1993. Letter requesting completion of the enclosed Transfer Form is sent to Mr. Cannon. This form is required in order to transfer responsibility of the operations.

December 20, 1993. Request for 1993 annual report.

September 20, 1994. Division staff received a call from Dana Knox, Surface Compliance Inspection, BLM, Montrose Colorado (303) 249-6047. They have some concerns with the storm water runoff and selenium draining onto BLM lands from the mines in this area. They are also concerned with road hazards and oil leaking onto the ground from a generator. She is checking with Harry Campbell at Utah Water Quality. She has also contacted Tom Schreiner of the Colorado Mined Land Reclamation Division (303) 866-3567.

November 9, 1994. Division staff received a call from Mr. Cleghorn in Grand Junction (303) 243-0396. He wanted to know if the Division had received a transfer

form from Mr. Cannon. He gave the Division Mr. Cannon's new address and phone number in California.

- November 10, 1994. Copy of the sales agreement between Douglas Cleghorn and Keith Cannon is hand delivered by Mr. Cleghorn. Division staff informed Mr. Cleghorn that this document combined with the annual report completed by Mr. Cannon may be sufficient to affect the transfer. The Division's will seek advice from legal counsel.
- November 21, 1994. Received a handwritten letter from Keith Cannon. The Lady Ann Company has been dissolved and the leases were not renewed when the BLM increased the fees. The AEC lease which adjoined the property expired and was not renewed by the Federal Government. They made no attempt to mine the property while they owned it.
- November 29, 1994. Division staff received a call from Dana Knox of the Colorado BLM. They have concerns with the mines in this area (Blue Cap, Black Hat, St. Patrick). The exact details of mine ownership and concerns is confusing. All the mines are (were) controlled by the same company. The Black Hat mine is listed or is a candidate for CERCLA listing. Some clean up work has been done at the St. Patrick Mine on the Colorado side.
- December 1, 1994. Certified letter sent to Mr. Cleghorn. After legal review, the sales contract and annual report completed by Mr. Cannon are not adequate to effect a transfer of the Blue Cap. The Division will suspend further action in this matter until a site inspection can be performed.
- December 8, 1994. Site inspection performed by BLM and Division staff. All mine openings associated with the Blue Cap Mine are secured with locked gates. Some water is being produced by the main portal. The water does not appear to be discolored or contain a lot of sediment. The mine waste dump slopes are showing signs of erosion. A compressor is present in one of the mine openings. Power lines to the mine are still in place. Three transformers are onsite. It is unknown if they contain PCBs. There is some scrap metal and pipe located near the main portal. The access road to the mine is blocked due to erosion and rockfalls. Due to the prelaw status of these mine workings, it is unclear if the Division can require additional reclamation of this site. A representative from the Colorado Mined Land Division is onsite to inspect the St. Patrick Mine. All mining claims for these mines (on the Utah side) have been dropped. Photographs were taken of the site; however, snow was covering the ground.